

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF PUERTO RICO

Minute Entry

Hearing Information:

Debtor: SERVICIOS DE DESCUENTO EN COMPRA INC

Case Number: 09-00832-SEK11

Chapter: 11

Date / Time / Room: 8/10/2010 2:00 PM eslcrt2

Bankruptcy Judge: ENRIQUE S. LAMOUTTE

Courtroom Clerk: ALVIN CENTENO

Reporter / ECR: Lori Annie Rodriguez

Matter:

1. Approval of Amended Disclosure Statement dated 03/12/2010 (#315), Creditors committee's position (#321) and Debtor's reply (#388), Objection to disclosure statement filed by Banco Popular de Puerto Rico (455)
2. Pretrial hearing in re: Application for Compensation filed by Jesus A Goas (Accountant), (#224), Unsecured creditors committee's position (#277)
3. Amendment to first Application for compensation filed by Jesus Goas (Accountant) (#435)
4. Pretrial Hearing in re: Debtor's objection to claim #21 filed by Alcay Inc. (#242) and Creditor's reply (#275)
5. Pretrial Hearing in re:Debtor's objection to claim #54 filed by Regency Park Associates S.E. and Creditor's reply (#249 & 286)
6. Pretrial Hearing in re:Debtor's objection to claim #52 filed by PDCM Associates S.E. and Creditor's reply (dkt #256 & 292)
7. Pretrial Hearing in re:Debtor's objection to claim #53 filed by PDCM Associates S.E. and Creditor's reply (#257 & 285)
8. Pretrial Hearing in re:Debtor's objection to claim #56 filed by PDCM Associates S.E. and Creditor's reply (#258 & 293)
9. Pretrial Hearing in re:Debtor's objection to claim #36, 37& 38 filed by PDCM Associates S.E, Yabucoa Development S.E.. and Creditor's reply (#262 & 284)
10. Application for compensation filed by Jesus Goas (Accountant) (#397)
11. Application for compensation filed by Diego Perdomo (Accountant) (#440)
12. Application for compensation filed by Charles Cuprill (Debtor's Attorney) (#472)
13. Motion to reject lease or executory contract and request to deliver leased property filed by Popular Auto (#441)
14. Motion for allowance of administrative payment of post petition administrative expenses filed by Toy's R Us (#443)

Appearances:

CHARLES ALFRED CUPRILL ON BEHALF OF DEBTOR
ISABEL FULLANA ON BEHALF OF CREDITOR'S COMMITTEE
DAYRA AMILL ACOSTA ON BEHALF OF ALCAY CORP

RAFAEL E. DAVILA ON BEHALF OF RAF TRUJILLO ALTA LP
ANTONIO A ARIAS LARCADA ON BEHALF OF TOYS R' US
VERONICA DURAN CASTILLO ON BEHALF OF POPULAR AUTO
PATRICK D. ONEILL/CHARLES GILMORE ON BEHALF OF BANCO POPULAR DE PUERTO RICO
EDWARD GODOY ON BEHALF OF US TRUSTEE
MARIA SOLEDAD JIMENEZ ON BEHALF OF ERNESTO ACOSTA
SERGIO RAMIREZ DE ARELLANOS ON BEHALF OF PDCM ASSOCIATES, S.E., REGENCY PARK ASSOCIATES
AND YABUCOA DEVELOPMENT
OSVALDO COLON TORRES ON BEHALF OF ALCAY INC
JUAN GARAY ON BEHALF OF PJAY INVESTMENT CORP

Proceedings:

Debtor filed an amended disclosure statement on 08/06/2010 with the consent of the Creditor's Committee, This amended disclosure statement was orally amended in open court to state that Debtor will have to dispose of the real property located in Ponce within nine (9) months from the date of filing of the disclosure statement and not from the confirmation of the plan.

The Creditor's Committee was involved in the drafting of the disclosure statement but they were unable to convene to review the final version filed on 08/06/2010.

The parties in interest were allowed until Friday, 13 of August, 2010 at 12:00 P.M. to file objections to the amended disclosure statement, if an objection is filed the court will hold a hearing on 08/17/2010 at 02:00 P.M.

The Creditor's Committee and Debtor jointly requested the expedited appointment of Wigberto Lugo Mender as a Litigation Trustee to undertake an investigation of any Chapter 5 avoidable transfers and to administer the sale of Debtor's inventory. The US Trustee opposed the appointment of the Litigation Trustee because this request give all the power of a Chapter 11 Trustee and the Court do not has the jurisdiction to appoint a Chapter 11 Trustee but do not oppose that Mr. Lugo serve as a plan's Trustee after the plan has been confirmed.

The following matters were granted as unopposed and orders will be entered accordingly:

1. The Second Application for compensation filed by Jesus Goas (Accountant) (#397)
2. Application for compensation filed by Diego Perdomo (Accountant) (#440)
3. Application for compensation filed by Charles Cuprill (Debtor's Attorney) (#472)
4. Motion to reject lease or executory contract and request to deliver leased property filed by Popular Auto (#441)
5. Motion for allowance of administrative payment of post petition administrative expenses filed by Toy's R Us (#443)

The first application for compensation filed by the Accountant Jesus A. Goas (dkt #224) as amended on docket #435 was objected by the creditor's committee. The accountant Diego Perdomo was ordered to submit to the court a written statement in support of the Creditors Committee's allegations within twenty one (21) days. The Financial consultant Mr. Luis Carrasquillo was ordered to file a written statement regarding the allegation submitted by the Creditor's Committee within twenty one (21) days and The Accountant Mr. Jesus A. Goas was allowed a period of fourteen (14) days to reply. An order will be entered.

In relation to calendar's items 4,5,6,7,8 and 9 the court made a clarification as to a problem with the order setting pretrial hearings, several orders were entered but the matters were not identified properly.

A joint stipulation was filed between Debtor and PDCM Associates, S.E., Yabucoa Development, S.E. and Regency Park Associates, S.E.. This stipulation was discussed in open court as follows:

1. Debtor withdraw the objection to claim #54 filed by Regency Park Associates S.E.. Matter became moot.
2. On Claim #52 filed by PDCM Associates S.E., Debtor withdraw partial rent charge for February, 2009. The claim was amended as follow:
 - a. Unsecured Portion: \$32,938.18
 - b. Priority Unsecured Portion: \$3,073.72
3. On Claim #53 filed by PDCM Associates S.E., Debtor withdraw partial rent charge for February, March , April and May, 2009 and the debtor is

accepting 50% of the retroactive CAM charges for years 2004 & 2007 in the amount of \$30,535.27. The claim was amended as follow:

- a. Unsecured Portion: \$45,781.60
 - b. Priority Unsecured Portion: \$15,026.48
4. On Claim #56 filed by PDCM Associates S.E., Both parties reiterates its claim for lease rejection damages. The court has to schedule a new hearing.
 5. On Claim #36 filed by PDCM Associates S.E., Creditor withdrew the claim as to the rent for January and February, 2009. The claim remains as unsecured for \$20,205.26. The remaining issue as to the claimed rejection damage remains as a contested matter, The court has to schedule a new hearing.
 6. On Claim #37 filed by PDCM Associates S.E.(Yabucoa Development), Creditor withdrew the claim as to the rent for January and February, 2009. The claim remains as unsecured for \$20,003.23. The remaining issue as to the claimed rejection damage remains as a contested matter, The court has to schedule a new hearing.
 7. On Claim #38 filed by PDCM Associates S.E.(Yabucoa Development), Creditor withdrew the claim as to the rent for January and February, 2009. The claim remains as unsecured for \$18,124.44. The remaining issue as to the claimed rejection damage remains as a contested matter, The court has to schedule a new hearing.

On behalf of the objection to claim # 21 filed by Alcay, Inc. (Dkt #242), the parties reached an agreement in open court. The claim will be allowed in the amount of \$38,404.00 as Unsecured Claim & \$15,803.50 as an administrative claim. An application will has to be filed for the administrative portion of the claim. There was no objection by the parties present and the agreement was approved. Order will be entered.

The judge ordered the clerk to reassign this case to his docket. Order will be entered.

If the disclosure statement is approved, The hearing on confirmation of the plan will be held on 09/21/2010 at 02:00 P.M.

Transcript of the hearing was requested.

/s/ Enrique S. Lamoutte

U.S. Bankruptcy Judge

CC: All parties in interest.